

PRELIMINARY REPORT
EVALUATION OF REUSE AND DISPOSAL OPTIONS FOR
PMA No. 609

Resolution 29799 directs that the Executive is to make its recommendations on the reuse or disposal of excess property on a case by case basis, using *the Procedures for Evaluation of the Reuse and Disposal of the City's Real Property* adopted by that resolution. Additionally, the Resolution identifies guidelines, which are to be considered in making a recommendation. This report addresses each of the guidelines outlined in Resolution 29799 in support of the recommendation. This report also follows those provisions of Resolution 30862, adopted May 1, 2006, that amended Resolution 29799.

Property Management Area: **PMA No. 609 – Former Sunnydale Substation**
15002 8th Ave. S., Burien, Washington

BACKGROUND INFORMATION

Legal Description: E 70 Ft of N 110 Ft of W ½ of N 20 Ft of a portion of W ½ of SW ¼.

The east 70.00 feet of the north 110.00 feet of the west half of the southwest quarter of the southwest quarter of the northeast quarter of section 20, township 23 north, range 4 east, W.M., in King County, Washington, and the north 20.00 feet of that portion of the west half of the southwest quarter of the southwest quarter of the northeast quarter of said section, lying west of the west line of the east 70.00 feet of said subdivision; EXCEPT the west 30.00 feet thereof deeded to King County, Washington, for road; SUBJECT to an easement for ingress and egress over said north 20.00 feet above described for the benefit of the property immediately adjoining said strip on the south, which said easement is hereby reserved, as recorded in King County, No. 4977255.

Physical Description and Related Factors:

PMA No. 609 – Former Sunnydale Substation - is a panhandle-shaped lot comprising approximately 12,197 sq ft. It is located 700 ft west of Lora Lake with a street address of 15002 8th Ave. S. in Burien. The parcel is identified by the King County Assessor as Property Identification No. 202304-9013. The northern boundary of PMA No. 609 measures 294 feet. The panhandle portion of the property functions as a 20-foot wide unimproved access road that runs east from 8th Ave. S. for 224 feet to the actual substation area, which measures 70 feet by 90 feet. An easement allows ingress and egress to the adjoining parcel to the south angles across the west 20 feet of the access road from 8th Ave. S. The substation site itself is surrounded by a low chain-link fence with a swinging gate. A row of cedars 30-40 feet high provides screening immediately outside the east and north boundary fences. Unlike many other surplus substations, its concrete pad has been removed. The substation itself is relatively flat and situated 10 feet above the grade of the paved areas to the west and south. The neighboring parcels adjoining the north and east boundaries comprise the 162-unit Lora Lake apartment complex. This apartment complex is currently unoccupied and completely surrounded by security fencing. Immediately south of PMA No. 609 is a large level asphalt parking lot that is owned by the Port of Seattle.

GUIDELINE A: CONSISTENCY

The analysis should consider the purpose for which the property was originally acquired, funding sources used to acquire the property, terms and conditions of original acquisition, the title or deed conveying the property, or any other contract or instrument by which the City is bound or to which the property is subject, and City, state or federal ordinances, statutes and regulations.

PMA No. 609 was originally acquired under the authority of Ordinance 109984 for the purpose of electrical transmission. On November 28th, 1958 Percy Blaker, Rosaland Walker, Norma F. Owen, Ruth McIntosh and Clyde Matteson, all of whom constitute the Board of the Tenth Church of Christ Scientist, conveyed the subject property to the City of Seattle Department of Lighting by Statutory Warranty Deed, for the sum of \$4,305.00. The Tenth Church of Christ Scientist also granted an easement for ingress and egress over the north 20.00 feet of the property for the benefit of the property immediately adjoining the strip on the south.

Sale or disposition of this property originally acquired for public utility purposes is subject to the provisions of RCW 35.94.040 which requires a statement of fair market value or consideration to be paid and such other terms and conditions for such disposition as the legislative authority deems to be in the best public interest.

GUIDELINE B: COMPATIBILITY AND SUITABILITY

The recommendation should reflect an assessment of the potential for use of the property in support of adopted Neighborhood Plans; as or in support of low-income housing and/or affordable housing; in support of economic development; for park or open space; in support of Sound Transit Link Light Rail station area development; as or in support of child care facilities, and in support of other priorities reflected in adopted City policies.

Context.

This property is located within the City of Burien. Development is regulated by Burien Municipal Code Title 19, Section 19.15.0020 Intersection Commercial Zone. The intent of this zoning is to “provide a diverse mix of uses which serve multiple residential areas, designed to encourage pedestrian and transit access, be compatible with adjacent residential neighborhoods, and be consistent with road and utility capacity.” It also falls within the North East Redevelopment Area (NERA), a Burien City Council-approved zoning and design standard adopted in 2003 which will “facilitate transition from residential, industrial and commercial uses to business park/airport-related uses.” The comprehensive plan for this area calls for transit oriented development, providing low income housing for seniors and promoting subsidized housing for teachers.

There is one other city-owned property in the general area.

Property	Size	Description	Location relative to PMA 609
Burien Pump Station	9400 sq ft	Pump Station-owned by the City of Seattle	.25 mile north of subject property

Range of Options.

The usual range of options for disposition of excess city property include retention by the city for a public purpose, long-term ground lease, negotiated sale, or sale by public bid. Circulation of the

property among city departments and other public entities in July, 2004 generated no interest from any department in acquiring PMA No. 609 for a present or future governmental purpose. Since that time, this property has become a key element of a five-party Memorandum of Understanding (attached as Exhibit A) concerning the preservation of affordable housing at the Lora Lake Apartments. Under that agreement's terms, PMA No. 609 will be sold by Seattle City Light to King County for fair market value provided that the Seattle City Council authorizes the transaction.

GUIDELINE C: OTHER FACTORS

The recommendation should consider the highest and best use of the property, compatibility of the proposed use with the physical characteristics of the property and with surrounding uses, timing and term of the proposed use, appropriateness of the consideration to be received, unique attributes that make the property hard to replace, potential for consolidation with adjacent public property to accomplish future goals and objectives, conditions in the real estate market, and known environmental factors that make affect the value of the property.

Highest and Best Use:

The property lies within multiple development zones within the Northeast Redevelopment Area of Burien that encourages a mixed use design. The land is zoned CI and Special Planning Area 4 (SPA-4) according to the comprehensive plan designation of the City of Burien. With an emphasis on smaller neighborhood businesses, SPA-4 is divided into three sub-areas that allow for industrial development that is airport compatible, has minimal environmental and land use impacts, and supports family-wage jobs.

Directly to the north is a neighboring property with the 162 unit Lora Lake apartment complex. This complex has been, and will continue to provide affordable housing to area residents. The highest and best use of this property would be as a mixed use retail center that is compatible with the neighborhood.

Under Article 3 of the Memorandum of Understanding signed by King County, the King County Housing Authority, the City of Burien, the Port of Seattle, and the City of Seattle, King County will purchase PMA 609 plus Port of Seattle property immediately to the south. The County "shall no later than 12 months after the effective date (11/5/2007) initiate the development of the two parcels of land for County municipal purposes consistent with Burien Comprehensive Plan designation, policies, and zoning and compatible with the current use and occupancy of Lora Lake apartments. The County at present is evaluating building a data center, records storage or Sheriff's modern evidence storage facility, among other potential facilities."

Compatibility with the physical characteristics:

The substation lot and access road are fairly level. While it sits between 6 - 10 feet above the adjoining Port of Seattle property to the west and south, leveling it to match grade would not be difficult. While the configuration is not the best for commercial use on a stand-alone basis, given the lack of street frontage, consolidation with the Port of Seattle property to the south facilitates a wider range of uses, including those that are contemplated by proposed purchaser King County.

Compatibility with surrounding uses:

The parcel is in a redevelopment area zoned for both multi-family CI, and SPA-4 (Special Planning Area 4). Under the terms of the Memorandum of Understanding, King County will begin development of light commercial buildings on the site within one year.

Timing and Term of Proposed Use

The Memorandum of Understanding requires King County to initiate development of PMA No. 609 and the adjoining Port of Seattle property no later than 12 months after the 11/05/07 execution of the agreement. Therefore, Seattle City Light is expediting the city's disposition procedures in order to facilitate King County's timely performance.

Appropriateness of the consideration:

The five-party Memorandum of Understanding specifies that City Light is to be paid fair market value by King County. Sale or disposition of this property originally acquired for public utility purposes is subject to the provisions of RCW 35.94.040 which requires a statement of fair market value or consideration to be paid and such other terms and conditions for such disposition as the legislative authority deems to be in the best public interest.

Unique Attributes:

The property is within easy access of SR-518, 8th Ave S, and Des Moines Memorial Drive. It is close to the regional airport and future light rail transportation node. It is approximately 900 feet from the flight path of the third runway for SeaTac Airport, but just outside the Runway Protection Zone (RPZ) which directs appropriate development of land near the airport.

Potential for Consolidation with adjacent public property:

The neighboring parcel to the north, the 162 unit Lora Lake apartment complex, is currently owned by the Port of Seattle, which also owns the property immediately south of PMA 609. Under the terms of the five-party Memorandum of Understanding, King County Housing Authority will purchase the Lora Lake complex, and King County will purchase PMA 609 and the adjacent property to the south for development of light commercial business. The Lora Lake complex is intended to remain as affordable housing. All three properties remain in public hands, retaining affordable housing while contributing to compatible commercial development.

Conditions in the real estate market:

The real estate market in Western Washington, specifically the Puget Sound region remains stable and strong. Contributing factors are population growth, limited inventory of housing, a strong job market and skilled workforce, coupled with higher than average wages. Although there are constant variations for any one of these conditions, forecasts for the foreseeable future indicates that growth and demand for the region will continue. The median single family home price in King County is now \$450,000.00¹, and there is a scarcity of suitable lots for development. Areas like Burien are currently in transition given the shortage of available building lots in Puget Sound, the close proximity to a new light rail line with greater access to SeaTac International airport, and the City of Seattle. The City of Burien has undertaken a drive to revitalize the area through zoning, and economic development strategies.

¹ Puget Sound Business Journal, 12/07/07, Anderson, Samuel

Known environmental factors:

The property sits near the third runway of SeaTac Airport, with the associated noise from air traffic, and may require a noise buffer, depending on the type of land usage. An Environmental Site Assessment Report was completed Feb. 2001 by Herrera Environmental Consultants and found transformer oil within an area that “covers approximately 40 square feet; depth is unknown, but is greater than 2 feet. It is probable that 5 to 10 cubic yards of soil is contaminated above cleanup levels.” Results also found that there is no asbestos, PCB’s are not above “practical quantitation limits or screening levels in any of the soil and concrete samples submitted for analysis.” DDT was detected, “at an estimate concentration of 12 mg/kg, which is below the practical quantitation limit for this analyte.” City Light will work with King County to identify the best strategy for accomplishing necessary clean-up in association with the future development of the property.

GUIDELINE D: SALE

The recommendation should evaluate the potential for selling the property to non-City public entities and to members of the general public.

Excess Property Response Forms were circulated to public agencies and other City departments to ascertain interest in the subject property. None of the potential buyers expressed an interest. Two private parties expressed an interest in acquiring the property should it become available for sale.

PUBLIC INVOLVEMENT

In late November 2007, a notice was mailed to 422 neighbors drawn from a list of residents and taxpayers that live within 1000 feet of PMA 609. A total of two comments had been received as of the January 4, 2008 deadline. Both of these comments were from private parties expressing an interest in purchasing the property should it become available for sale.

RECOMMENDATION

FFD recommends that PMA No. 609 be sold to King County for fair market value to be determined by an independent fee appraisal in accordance with the Memorandum of Understanding.

THRESHOLD DETERMINATION

The Disposition Procedures provide that FFD assesses the complexity of the issues on each excess property following the initial round of public involvement. The purpose of this analysis is to structure the extent of additional public input that should be obtained prior to forwarding a recommendation to the City Council. The Property Threshold Determination Form prepared for Sunnydale Substation is attached at the end of this report. The transaction is rated as “Simple,” based upon the factors considered and the score calculated for disposition of PMA No. 609.

NEXT STEPS

Following completion of this Preliminary Report, FFD will provide a summary to the Real Estate Oversight Committee, to all City departments and Public Agencies that expressed an interest in the Excess Property, and to members of the public who responded to the Initial Public Notice. This notice will advise how to obtain a full copy of the report, and advise that FFD will consider comments on the Preliminary Report for 30 days after mailing and direct where and to whom any comments should be addressed. FFD will also post one sign visible to the public at each street frontage abutting the Excess Property which provides the same information.

The Preliminary Report, accompanied by a Public Involvement Report summarizing the public involvement process and the extent and substance of community comments is then forwarded to the City Council with any legislation necessary to implement the recommendation for the excess property. All commenters and other interested parties are provided with at least two-weeks notice of the hearing at which the City Council makes a decision concerning disposition of PMA No. 609.

PROPERTY REVIEW PROCESS DETERMINATION FORM		
Property Name:	Sunnydale Substation	
Address:	15002 8 th Avenue S., Burien, WA. 98148	
PMA ID:	609	King County Parcel #: 202304-9013
Dept./Dept ID:	Seattle City Light	Current Use: Public Utility
Area (Sq. Ft.):	12,197	Zoning: C1, SPA-4
Est. Value:	Appraisal pending	Assessed Value: \$92,300.00 for 2008
PROPOSED USES AND RECOMMENDED USE		
<i>Department/Governmental Agencies:</i> King County, as part of a five-agency Memorandum of Understanding		<i>Proposed Use:</i> Potential site for records facility, or evidence storage
<i>Other Parties wishing to acquire:</i> Private parties		<i>Proposed Use:</i> Development; business expansion
FFD/RES RECOMMENDED USE: Sell by negotiated sale to King County per interagency Memorandum of Understanding.		
PROPERTY REVIEW PROCESS DETERMINATION (circle appropriate response)		
1.) Is more than one City dept/Public Agency wishing to acquire?	<input type="checkbox"/> No / Yes	15
2.) Are there any pending community proposals for Reuse/ Disposal?	<input type="checkbox"/> No / Yes	15
3.) Have citizens, community groups and/or other interested parties contacted the City regarding any of the proposed options?	No / <input checked="" type="checkbox"/> Yes	15
4.) Will consideration be other than cash?	<input type="checkbox"/> No / Yes	10
5.) Is Sale or Trade to a private party being recommended?	<input type="checkbox"/> No / Yes	25
6.) Will the proposed use require changes in zoning/other regulations?	<input type="checkbox"/> No / Yes	20
7.) Is the estimated Fair Market Value between \$250,000-\$1,000,000?	<input type="checkbox"/> No / Yes	10
8.) Is the estimated Fair Market Value over \$1,000,000?	<input type="checkbox"/> No / Yes	45
Total Number of Points Awarded for "Yes" Responses:		15
Property Classification for purposes of Disposal review: <input checked="" type="checkbox"/> Simple / Complex (circle one) (a score of 45+ points results in a "Complex" classification)		
Signature: Richard Gholaghong	Department: FFD	Date: January 28, 2008

The City of Seattle



PMA No. 609

Sunnydale Substation

Produced by the City of Seattle
November 16, 2007

Legend

City Property-Primary Juris.Dept

City Light - Subject Property

Tax Parcels

100 0 100 200 Feet



THE CITY OF SEATTLE, 2005. All rights reserved.
No guarantee of any sort is made, including accuracy,
completeness, or fitness for use.

k:\city\p4.spr: pma no. 609

